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SUBJECT: MIGRATION, VIOLENCE AND OAXACA,S ECONOMY
OVERSHADOW 2006 CONFLICT

11. Summary: Concerns about domestic violence, migration and Oaxaca's failing economy collide in Oaxaca where poloff met with state government officials, indigenous human rights organizations and local artisans to discuss current problems during a recent visit. State government officials were concerned about the losses Oaxaca has suffered since the 2006 conflict between social groups and security forces but were quick to assert that the human rights situation has improved. Already one of Mexico's poorest states, Oaxaca faces an uphill battle attracting tourists back to the state, providing its population with quality education and jobs and better addressing the needs of the indigenous communities. Drug traffickers who exploit the State's impoverished conditions to recruit residents as foot soldiers for their activities also pose an increasingly serious challenge to the state. End Summary.

A VICTIM OF ITS PAST AND PRESENT

12. Oaxaca, located in southern Mexico, is the home to some 16-18 indigenous groups representing some 60-70 percent of the state's population. Many are unable to read or write in their own language and suffer exclusion from society because they do not speak Spanish. Renowned for its celebrated cultural traditions and a varied assortment of artisan craft, Oaxaca has long attracted tourists from all over the world. The state's tourist industry, however, practically dried up in the wake of a violent political conflict in 2006 between a burgeoning social movement and security forces. While government officials insist the violence that dominated Oaxaca in 2006 is a thing of the past, the frequent deployments of military forces as part of the federal government's counter narcotics strategy suggest otherwise and tourists have been slow to return. In his meeting with poloff, Hector Anuar Mafud Mafud, President of the Supreme Court in Oaxaca, maintained that Oaxaca's economy is now worse than before the conflict, saying that even world-famous cultural events such as the renowned Guelagueta festival had drawn few international visitors last year. The decline in tourism had impacted all areas of society so much so that Oaxaca is now the poorest state in Mexico.

13. Oaxaca's PRI Governor, Ulises Ruiz Ortiz, continues to be dogged by accusations of corruption and human rights abuses -- and remains the focus of the state's protests. His handling of the 2006 disturbances left many in the state disillusioned with politics. In August 2007, Oaxaca held state legislative elections; 70 percent of the voters reportedly did not vote, many as an act of protest. In recent weeks, the media have implicated friends and family members of the Governor and police officials for their involvement in the disappearance of two Popular Revolutionary Army (EPR) members on May 25, 2007 -- although no concrete evidence has been provided.

IMPACT OF MIGRATION TO AND FROM OAXACA

14. State officials and NGOs in Oaxaca both agree that migration is one of the biggest challenges facing the state today. According to officials, migrants from Central America are staying in growing in numbers. Many U.S. bound migrants have decided to settle in the state in recent years, they said. Oaxacans themselves continue to migrate to the U.S. in increasing numbers. Indigenous NGOs lament that migration from Oaxaca has left a strain on an already stagnate economy and had a social impact in terms of splitting families apart.

15. Government officials say that the biggest challenge to Oaxaca's economy is creating sufficient jobs for the local population. Oaxaca's economy is dependent on tourism and remittances from the U.S. but with the decrease in tourism during the 2006 conflict, Oaxaca has become increasingly dependent on remittances. Rosario Villalobos, Deputy Secretary for Human Rights of the Executive Branch said the longer migrants stay in the U.S., the less money they send home, contributing to a further decline in the conditions. Of course, declining economic conditions in the U.S. have contributed to a reduction of remittances as well. NGO representatives say that despite remittances, many families suffer from the absence of the chief breadwinner and children are forced to forgo schooling in order to find jobs.

16. Government officials remain focused on immigration reform in the U.S., which they hoped would facilitate the flow of temporary workers to the U.S. under better conditions. Immigration reform they said should assist migrants from Oaxaca in the U.S. to be in a better position to send

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remittances, but also return to the state to be with their families. Officials also took the opportunity to complain to poloff that the State Department warning about violence in Oaxaca had hurt tourism and further undermined the state's economy.

POVERTY SPAWNS SOCIAL ILLS

17. Oaxaca is beset by a number of social ills many deriving from its impoverished conditions.

-- Domestic violence is a problem throughout Mexico and Oaxaca has one of the highest incident rates in the country. NGOs identified domestic violence as one of the greatest challenges within indigenous communities particularly given the complexities of the cultures. NGO representatives linked what they said was widespread alcoholism to domestic violence within the indigenous communities.

-- NGOs also alleged that girls from the indigenous communities are sometimes trafficked by their families out of economic necessity.

-- Several Government officials told poloff that Oaxaca has the worst educational system in the country remarking that in many municipalities children have classes only three days a week, while in others there are no classes. Literacy levels in the state are actually declining, they said.

18. Comment: Oaxaca's entrenched poverty derives in no small measure from the complexities within the indigenous communities. Once a popular destination spot for tourists around the world, it has not been able to attract tourists back to the state after the violence that took place in 2006. The extreme poverty that characterizes much of the state has led to a number of social ills and contributed to high rates of migration to the U.S. The Calderon Administration will face an uphill battle in providing for the kind of security and economic opportunity the state needs to attract tourism

and generate greater economic growth.

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